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GIBRALTAR MINES LTD. (N.P.L)
ANNUAL REPORT - 1969

GIBRALTAR MINES LTD.

HOLE NO.	T.D.	INTERVAL	LENGTH	ASSAY COPPER
G-69-1	1130	0-970 130-340	970' 210'	0.384% 0.60 %
F-69-2 G-69-2	1013	380-790 240-840	410' 600'	0.475% 0.4 %
G-69-3	1035	LOW VALUES		
G-69-4	2124	60-1080	1020'	0.402%
G-69-5	1320	60-190	130'	0.32 %
G-69-6	900	30-210	180'	0.41 %
G-69-7	787	70-270	200'	0.504%
G-69-8	733	280-390	110'	0.383%
G-69-9	684	FINISHED – NO RESULTS		
G-69-10	846	LOW GRADE		
G-69-11	App. 1000	NO RESULTS		
G-69-12	856	NO RESULTS		
G-69-13	765	NO RESULTS		
G-69-14		NOW DRILLING		
G-69-15		NOW DRILLING		
G-69-16		NOW DRILLING		

CANEX AERIAL EXPLORATION LTD.
DUVAL

DDH C31
G-69-7
G-69-6
G-69-5
DRILLING
G-69-10
G-69-4
G-69-3
DONE
G-69-13
G-69-8
G-69-1
G-69-16
G-69-11
G-69-9
G-69-2
G-69-12
G-69-12
G-69-11
G-69-15
G-69-14
DDH-68-5
400 Ft. 0.31% Copper
900 Ft. 0.3% Copper
DDH-68-4
DDH-68-6
Longyear Camp area
Pellyanna Gibraltar Claim boundary
Granite Creek
48,000 N
LINE 22S
46,000E

SCALE: 1 INCH = 800 FT.

△ SURVEY HUB S254
50,251.9N El. 2531.4
46,751.9E

GIBRALTAR MINES LTD.
AREA OF DRILLING
ON NORTHEAST ZONE
McLeese Lake, B.C.

GIBRALTAR MINES LTD.
(Non-Personal Liability)
Vancouver, B.C.

To the Shareholders

The 1968-69 exploration program at Gibraltar's Copper Creek property, 35 miles north of Williams Lake, B.C., made a substantial contribution to progress of the property. Beginning with the Coast Silver Mines Ltd. Jan-Summit group, under option to Gibraltar, proceeding to the Gibraltar West Zone, and continuing with the Gibraltar East Zone, encouragement was received from all ore zones.

The property lent itself well to the winter program as it has during the six years throughout which Gibraltar has been engaged in exploring the claims. Located only 9 miles from the Cariboo Highway and about the same distance by good, all-weather gravel road from the P.G.E. Railroad, the claims are also close to oil and natural gas pipelines, major electrical transmission lines and adjoin a sawmilling operation. Lakes and creeks are numerous in the area.

After a listing on the Vancouver Stock Exchange, Nov. 5, 1968 and subsequent underwritings, results proved so encouraging that Gibraltar was able to seek and arrange a major financing agreement with one of the most successful mining exploration companies operating in Canada.

In May, 1969, your company negotiated and concluded a financing deal with Canex Aerial Exploration Ltd., a wholly-owned subsidiary of Placer Development Limited. The initial firm commitment is for $300,000.00 to be spent between May 1st and September 1st, 1969. Canex will receive 100,000 shares of Gibraltar stock for this expenditure.

At present three N.Q. wireline diamond drills are on the property and contracts for a minimum 15,000 feet of drilling have been let. When the progress of the program indicates, longitudinal sections and cross sections of the East Zone will be prepared under the direction of a Professional Engineer and a summary, including drill-indicated tonnage, strip ratio, etc., will be forwarded for your information.

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Predictions as to the ultimate result on this type of property are not easy to make. However, we can present a brief summary of the known facts and perhaps draw some conclusions from them.

We know that encouraging results have been achieved on the Coast Silver Mines Jan-Summit group.

We know that Cominco Ltd. reported ore reserves, drill indicated, of 14,000,000 tons of 0.52% copper on the Gibraltar West Zone.

We know that the drilled-off dimensions of the East Zone extend (from 10+00 W. to 24+75 E.) for a length of 3,475 feet. The drilled-off width of the zone extends (from 21+00 N. to 39+00 N.) for 1,800 feet. The thickness of the zone has been shown by drilling to vary from 50 to 1,020 feet. Insufficient drill-data is available at this time to estimate the grade, tonnage or strip ratio of this zone but it is without doubt the most significant mineralized zone found to date in the area. Under the terms of the Canex deal, and with the funds currently on hand, approximately $350,000.00, it is assured that a sufficiently large exploration and development program will be completed on the property to assemble the required information for a thorough evaluation. The zone has not yet been delimited by diamond drilling but is open to extensions in several directions.

Based on results to date, and technology improving at an accelerating rate, and a steady rise in world demand for metals and particularly copper, your management looks with confidence toward the ultimate success of this project.

T. P. Bowes,

President.

GIBRALTAR MINES LTD.
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Vancouver, B.C.

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

for the six months ended April 30th, 1969

SOURCE OF FUNDS		
Sale of shares		$ 560,000
APPLICATION OF FUNDS		
Option payment on mineral claims	$ 3,000	
Camp building	500	
Office furniture and equipment	477	
Exploration and development expenses	180,144	
Administration expenses	24,404	208,525
INCREASE IN WORKING CAPITAL		351,475
WORKING CAPITAL DEFICIENCY, AT OCTOBER 31st, 1968		883
WORKING CAPITAL AT APRIL 30th, 1969		$ 350,592

NOTE: This statement was not prepared on a comparative basis as no balances are available for the corresponding period in the preceding year.

GIBRALTAR MINES LTD.
(Non-Personal Liability)
Vancouver, B.C.

BALA

as at Jan

ASSETS

CURRENT ASSETS		
Cash	$ 87,124	
Term deposit	150,000	
Advances	1,217	
Prepaid expenses	3,000	$ 241,341
MINERAL CLAIMS, at cost (Note 2)		342,877
FIXED ASSETS, at cost (Note 3)		
Building	500	
Automotive equipment	4,059	
Office furniture and equipment	2,857	7,416
DEFERRED COSTS		
Exploration and development expenses, per Schedule "1"	586,892	
Administration expenses, per Schedule "2"	94,062	680,954
		$ 1,272,588

APPROVED ON BEHALF OF THE BOARD

"T.P. BOWES by his attorney
C.M. Beamer"
Director

"E.A. LITTLE"
Director

SHEET

nd, 1969

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES			
Accounts payable			$ 6,916
SHAREHOLDERS' EQUITY			
Share Capital (Note 4)			
Authorized:			
5,000,000 shares with a par value of $.50 each	$ 2,500,000		
Issued:			
3,526,194 shares			1,291,707
Deficit			
Organization costs		$ 1,591	
Loss on sale of investments		24,444	26,035
			$ 1,272,588

This is the Balance Sheet referred to in the report of Brown, Steele, Johnstone & Company, Chartered Accountants, dated February 7th, 1969.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the Balance Sheet of Gibraltar Mines Ltd. (N.P.L.) as at January 22nd, 1969 and the Statement of Source and Application of Funds for the period then ended and have obtained all the information and explanations we have required. Our examination included a general review of accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

We have not verified title to the mineral claims directly with the Government Registry Offices, but we have received written confirmation from the Company's solicitor that the Company is the beneficial owner of all mineral claims recorded in the books of the Company.

In our opinion, subject to the foregoing, these financial statements present fairly the financial position of the Company as at January 22nd, 1969 and the source and use of its funds for the period then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

BROWN, STEELE, JOHNSTONE & COMPANY
Chartered Accountants

February 7th, 1969
Vancouver, Canada

NOTES TO THE FINANCIAL STATEMENTS

as at January 22nd, 1969

1. SUBSIDIARY COMPANY

The Company owns all the issued share capital of Malabar Mining Co. Ltd. (N.P.L.). The accounts of the subsidiary have not been consolidated nor has the investment therein been included on the Balance Sheet at January 22nd, 1969, because the subsidiary has no assets, and the issued share capital, no recorded value. The Balance Sheet of Malabar Mining Co. Ltd. (N.P.L.) at January 22nd, 1969 is as follows:

Share Capital	
1,175,255 shares issued	$ 85,842
Deficit	
Incorporation costs	$ 2,091
Mineral claims abandoned and related costs	83,751
	$ 85,842

2. MINERAL CLAIMS

Copper Creek (Malabar) Group

By an option agreement the Company acquired this group located in the Cariboo Mining Division for $1,000,000. Payments of $6,000 are to be made in each year until production commences after which a royalty of ten cents (10¢) per ton of mill feed ore mined or removed from the claims will go into effect until the balance is fully paid.

Payments to January 22nd, 1969 amount to	$ 29,000	
As additional consideration, the Company by agreement assumed the Malabar Mining Co. Ltd. (N.P.L.) interest in this group by share exchange for a net consideration as follows:		
Issuance of 477,755 shares with a par value of	238,877	$ 267,877
Cupe Group		
This group located in the Nicola Mining Division was obtained for 750,000 shares with a value attributed thereto of		75,000
Coast Silver Group		
Pursuant to a work option agreement the Company has the right to explore and develop certain mineral claims in the Cariboo Mining Division. By April 30th, 1968 $75,000 was to be expended. To earn a 50% interest, $50,000 must be spent by April 30th, 1969, 150,000 by April 30th, 1970, and $100,000 each year thereafter until notice to equip for production is given. The agreement may be terminated upon 30 days notice provided current commitments are met.		-
		$ 342,877

3. DEPRECIATION POLICY

No depreciation has been recorded on the Company's fixed assets.

4. SHARE CAPITAL

During the period, 600,000 shares were issued for cash. Shares of Gibraltar Mines Ltd. (N.P.L.) issued and discount, commissions and premiums related thereto are classified as follows:

	No. of Shares	Par Value	Discounts & Commissions	Premium	Net
For cash	2,197,142	$ 1,098,571	$ 349,632	$ -	$ 748,939
Exploration work	101,297	50,649	-	178,242	228,891
Properties	1,227,755	613,877	300,000	-	313,877
	3,526,194	$ 1,763,097	$ 649,632	$ 178,242	$ 1,291,707

GIBRALTAR MINES LTD.
(Non-Personal Liability)
Vancouver, B.C.

Schedule "1"

EXPLORATION AND DEVELOPMENT EXPENSES

from October 31st, 1968 to January 22nd, 1969

COPPER CREEK (MALABAR) GROUP – Cariboo Mining Division			
Total, to October 31st, 1968		$ 471,461	
Expenses for the period ended January 22nd, 1969:			
Assaying	$ 250		
Camp supplies	644		
Drilling	5,229		
Field management	1,500		
Freight and storage	353		
Geological and engineering surveys	585		
Trenching	323		
Travel	825		
Wage assessments	727	10,436	$ 481,897
COAST SILVER GROUP – Cariboo Mining Division			
Total, to October 31st, 1968		93,278	
Expenses for the period ended January 22nd, 1969:			
Engineering fees	$ 1,200		
Drilling	2,380		
Geophysical survey	1,183		
Line cutting	375		
Meals and lodging	240		
Trenching	315		
Wage assessments	791	6,484	99,762
CUPE GROUP – Nicola Mining Division			
Total, to October 31st, 1968 and January 2nd, 1969			5,233
			$ 586,892

ADMINISTRATION EXPENSES

from October 31st, 1968 to January 22nd, 1969

TOTAL, to October 31st, 1968		$ 74,590
Expenses for the period ended January 22nd, 1969:		
Audit and accounting	$ 757	
Dues and subscriptions	275	
Legal	6,732	
Listing fee	2,200	
Licenses	50	
Management salaries	1,500	
Office furniture rental	43	
Office supplies and expense	155	
Printing and stationery	159	
Promotion and advertising	1,254	
Registrar and transfer fees	280	
Rent and light	364	
Secretarial wages	396	
Shareholders' information	25	
Telephone and telegraph	524	
Travel	4,758	19,472
TOTAL, To Exhibit "A"		$ 94,062

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Exhibit "C"

from October 31st, 1968 to January 22nd, 1969

SOURCE OF FUNDS		
Sale of shares		$ 270,000
APPLICATION OF FUNDS		
Building	$ 500	
Exploration and development expenses	16,920	
Administration expenses	17,272	34,692
INCREASE IN WORKING CAPITAL		235,308
WORKING CAPITAL DEFICIENCY AT BEGINNING OF PERIOD		883
WORKING CAPITAL AT END OF PERIOD		$ 234,425

GIBRALTAR MINES LTD. (N.P.L.)

807–509 Richards Street, Vancouver, B.C.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the Annual General Meeting of Shareholders of GIBRALTAR MINES LTD. (N.P.L.), (hereinafter called the "Company"), will be held in the York Room of the Georgia Hotel, 801 West Georgia Street, Vancouver, British Columbia, on Saturday, the 21st day of June, A.D. 1969, at the hour of 1:30 in the afternoon for the purpose of:

1. receiving the Report of the Directors;

2. receiving the Financial Statements of the Company and the Auditor's Report thereon for the period ending January 22nd, 1969;

3. electing Directors;

4. conferring a general authority to take or acquire by purchase or otherwise any shares in any other corporation (which authority shall expire at the next general meeting of the shareholders of the Company unless it is continued by ordinary resolution passed thereat);

5. considering and adopting with or without amendment the following resolution as an ordinary resolution:

 "RESOLVED that the authorized capital of the Company be increased from Two Million Five Hundred Thousand Dollars ($2,500,000.00) divided into five million (5,000,000) shares with a nominal or par value of Fifty Cents (50¢) each, of which three million seven hundred twenty-six thousand one hundred ninety-four (3,726,194) shares are issued, to Three Million Seven Hundred Fifty Thousand Dollars ($3,750,000.00) divided into seven million five hundred thousand (7,500,000) shares with a nominal or par value of Fifty Cents (50¢) each.

 THAT Clause 5 of the Memorandum of Association be amended to read:

 The authorized capital of the Company is Three Million Seven Hundred Fifty Thousand Dollars ($3,750,000.00) divided into seven million five hundred thousand (7,500,000) shares having a nominal or par value of Fifty Cents (50¢) each."

6. transacting such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

SHAREHOLDERS who are unable to attend the Meeting in person are requested to date and sign the enclosed form of Instrument of Proxy and to return it to the Guaranty Trust Company of Canada, 580 Hornby Street, Vancouver, British Columbia.

Dated at Vancouver, British Columbia, the 5th day of June, 1969.

By Order of the Directors

President and Director
"T.P. Bowes"

GIBRALTAR MINES LTD. (N.P.L.)

807–509 Richards Street, Vancouver, B.C.

INFORMATION CIRCULAR
as at June 5, 1969

This Information Circular accompanies the Notice of Annual General Meeting of Shareholders of GIBRALTAR MINES LTD. (N.P.L.) called for Saturday, the 21st day of June, 1969, and is furnished in connection with a solicitation of proxies for use at that meeting.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, under its common seal, or by an officer or attorney thereof duly authorized, and deposited at the registered office of the Company at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used or with the Chairman of such meeting on the day of the meeting, or any adjournment thereof, and upon either of such deposits the proxy is revoked.

PERSONS OR COMPANIES MAKING THE SOLICITATION

THE ENCLOSED PROXY IS BEING SOLICITED BY THE MANAGEMENT.

Solicitations will be made by mail and possibly supplemented by telephone or other person, contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse Shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining from their principals authorization to execute forms of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue Five Million (5,000,000) shares with a nominal or par value of Fifty Cents (50¢) each. There is one class of shares authorized only. There are issued and outstanding 3,726,194 shares. At general meetings of the Company on a show of hands every member present in person shall have one vote and on a poll every member shall have one vote for each share of which he is the holder.

To the knowledge of the Directors or Senior Officers of the Company, there are no persons or companies who beneficially own, directly or indirectly, shares carrying more than 10% of the outstanding voting shares of the Company.

The share transfer register of the Company will not be closed prior to the meeting and, accordingly, all shareholders of record on the date of the meeting will be entitled to vote at the meeting. Those shareholders desiring to be represented at the meeting by proxy must deposit the same with the Guaranty Trust Company of Canada, 580 Hornby Street, Vancouver, British Columbia, at any time before the meeting.

ELECTION OF DIRECTORS

The Directors of the Company are elected annually and hold office until the next Annual General Meeting of Shareholders or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed, both of whom are presently members of the Board of Directors.

THE MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT PRIOR TO THE MEETING ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY MANAGEMENT TO VOTE THE PROXY FOR THE ELECTION OF ANY OTHER PERSON OR PERSONS AS DIRECTORS.

Name	Present Office Held	Term Expires	Present Principal Occupation	Principal Occupation for last 5 Years	Period for which Nominee has been a Director of the Co.	Approx. No. of Shares Beneficially owned directly or indirectly
T. Patrick Bowes	Pres. & Dir.	1969 Annual Meeting	Mining Promoter	Mining Promoter	5 years	38,375
Edward Arnold Little	Dir.	"	Office Manager	Office Manager	1 year	1,000
Alfred A. Kennedy	Dir.	"	Manager, Treas. Dept. MacMillan, Bloedel Co.	Manager Treas. Dept. MacMillan, Bloedel Co.	6 months	49,500
Isaac Shulman	Dir.	"	Barrister & Solicitor	Barrister & Solicitor	1 month	50,000
John E.R. Wood	—	—	Mining Engineer	Mining Engineer	Nil	32,000

APPOINTMENT OF AUDITORS

It is intended to vote the Proxy to appoint Brown, Steele, Johnstone & Company, Chartered Accountants, 550 Burrard Street, Vancouver, British Columbia, as Auditors of the Company and to authorize the Directors to fix their remuneration.

REMUNERATION OF DIRECTORS

T. Patrick Bowes and Edward Arnold Little, Directors of the Company, each received $6,500.00 during the past fiscal year, Mr. Bowes and Mr. Little are each to receive $125.00 per week during the current fiscal year for services performed for the Company.

OTHER MATTERS TO BE ACTED UPON

THE MANAGEMENT KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OF SHAREHOLDERS OTHER THAN REFERRED TO IN THE NOTICE OF MEETING, SHOULD ANY OTHER MATTERS PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORD WITH THE BEST JUDGMENT OF THE PERSON VOTING THE PROXY.



Examining Core



Core Shacks and Storage Areas



Shareholders Getting a First Hand Look



Large Drill on East Zone